

HOUSE BILL 413
By McKee

AN ACT to amend Tennessee Code Annotated, Title 3 and Title 9,
relative to funding of programs, services, or systems
requiring a multi-year phase-in period.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 3-2-107, is amended by adding the
following language as a new, appropriately designated subsection:

(c) If a general bill establishes a program, service, or system that will require a
multi-year phase-in to reach full implementation, then the fiscal note shall indicate:

(1) The bill establishes a program, service, or system that will be phased
in over a period of years;

(2) The period of years required for the program, service, or system to be
fully implemented;

(3) The funding required for the first year of the phase-in period;

(4) Whether, in years beyond the first year of the phase-in period, funds
shall be required in excess of the funds needed to implement the first year of the
phase-in; and

(5) The cost per year of implementation of the program, service, or system from the first year through the final year of phase-in.

SECTION 2. Tennessee Code Annotated, Title 9, Chapter 4, Part 2, is amended by adding the following language as a new, appropriately designated section:

Section 9-4-214.

(a) For any law enacted after July 1, 2003, that establishes a program, service, or system that requires a multi-year phase-in period before being fully implemented, there shall be appropriated from recurring revenues to fund the first year of phase-in the highest estimated annual cost, in current dollars, of implementation during the phase-in period as shown in the fiscal note prepared under § 3-2-107(c) by the staff of the fiscal review committee.

(b) Prior to submission of the budget for fiscal years subsequent to the first year of phase-in of such program, service, or system, estimates of appropriations made under subsection (a) may be adjusted to determine the amount of appropriations of recurring revenues to be made for the ensuing fiscal year. If no adjustment is made, the amount of appropriations previously made shall be repeated.

(c) Appropriations made under the provisions of this section shall be placed in a reserve to be used only for costs of phasing in the program, service, or system. Prior to full implementation of the program, service, or system, any revenues deposited in this reserve shall not revert to the general fund on any June 30, but shall remain available for expenditure for costs of phasing in the program, service, or system. All revenue remaining in the reserve after full implementation of the program, service, or system shall revert to the state general fund.

(d) Any law enacted without the funding required by this section shall be null and void unless such funding is appropriated in the General Appropriations Act.

SECTION 3. This act shall take effect July 1, 2003, the public welfare requiring it.